

# Free and Reduced Benefits Process


October 2013

1. Run Direct Certification in **July**. Direct Certification how-to manuals can be found on our website at <http://www.doe.in.gov/nutrition>. Complete either a Traditional match where you upload your student roster for the new school year or an STN match.

## Programs and Resources Requirements and Information


 [School Nutrition Programs](#)

- **\*\*NEW\*\*** - [New Meal Pattern Guidance](#)
- [Attendance Factor](#)
- [Free and Reduced Price Information](#)

- [Free and Reduced Application Process Quick Start Outline](#) 
- [Free and Reduced Price Forms](#)


2. Send a letter to each household notifying them that their child(ren) are directly certified and an application does not need to be completed.

### SNP – Free and Reduced Information

- [USDA Eligibility Guidance Manual](#)  - updated August 2013
- [Verification Information](#)
- [Provisions 1, 2, and 3](#)

3. Send an application and parent letter/instructions to each household either by mail or insert into enrollment packet (do not send to households that are directly certified).

### SNP – Free and Reduced Information

- [Free and Reduced Application Process Quick Start Outline](#) 
- [Free and Reduced Price Forms](#)

4. As you receive applications, cross check with the direct certification list and disregard any applications for households that have been directly certified. REMOVE THEM FROM YOUR POOL OF PAPER APPLICATIONS.
5. When you receive an application with a food stamp/TANF number, do a direct certification lookup to determine if the student(s) on the application can be directly certified. **Reminder: only one student on an application must be directly certified, for ALL students to be directly certified.** If you do not find the students after looking up the case number or by searching their name, you will still approve the application based on face value.
6. Make sure each application is complete and includes the following:
  - a. EACH child's name and school they attend
  - b. List ALL family members and income for each or check box if no income
  - c. Select the frequency of pay, weekly, bi-weekly, bi-monthly, monthly, annual
  - d. If you are unsure of frequency, contact the household to verify and document on the application with date and your initials
  - e. Adult signature
  - f. Last 4 digits of Social Security Number (for income eligible applications or a checkmark if no SSN)
  - g. Date signed

7. A food stamp/TANF number typically starts with a 10 and is 10 digits long. The number that starts with 5077 is the Hoosier Healthwise card number and is not acceptable to approve an application. Out of state food stamp/TANF numbers are allowable; however check with the State department for the correct format.

8. Use the income guidelines to calculate the benefit.

a. If frequencies of pay are different, calculate annual pay.

#### SNP – Free and Reduced Information

Income Guidelines  
Valid July 1, 2013–June 30, 2014

9. If there is no household income (or a food stamp/TANF case number, migrant, homeless, runaway, or foster designation), the application must be approved based on face value and then can be verified for cause. Applications that are verified for cause CANNOT be counted in your sample for verification.

#### SNP – Free and Reduced Information

USDA Eligibility Guidance Manual – updated August 2013  
Verification Information  
Provisions 1, 2, and 3

#### Verification Process and Reporting

Verification for Cause Fact Sheet

10. Complete the eligibility determination section on the back of the application and sign.

11. Send a letter notifying household of the benefit.

#### School Meal Benefits

Application for Meals  
Parent Letters/Instructions – Meals

12. If your software program does not flag every application that is within \$100 of the monthly amount or \$1200 of the yearly amount on the income eligibility guidelines (error-prone), you may want to flag them by hand in order to complete Standard (error-prone) verification.

13. File your applications by building.

14. When a student withdraws, pull the application, document the withdrawal date and file in a “withdrawn” file.

15. If a new student begins during the school year, do a direct certification lookup on that student. If the student is directly certified, no paper application is required.

**NOTE: The Eligibility Guidance Manual will answer questions regarding applications for homeless, migrant, adopted, and foster children and how to handle those applications**

#### SNP – Free and Reduced Information

USDA Eligibility Guidance Manual – updated August 2013  
Verification Information

16. At the end of September, run direct certification again selecting “retrieve new matches only” in the Application Center (STN Database). Pull applications from your pool of applications for any new direct certification matches. Mark the students directly certified in your POS system.

17. At the beginning of October, pull your 3% sample for verification.

a. Standard sampling – select 3% of error-prone applications

b. Alternate/Random sampling – randomly select 3% of applications

c. Alternate/Focused sampling - select 1% error-prone income applications plus .5% of categorical applications

USDA Eligibility Guidance Manual – updated August 2013  
Verification Information  
Provisions 1, 2, and 3

18. Check your applications to ensure they were correctly approved. This is called a confirmation review. A confirmation review should be performed by someone other than the original approver.

19. Make copies of the applications selected for verification and place the originals in a separate file labeled “verification.”

20. Complete direct verification for each application selected by selecting the Direct Verification Lookup on the Direct Verification tab in the application center (STN database)).

Direct Verification

Direct Verification - Fall 2007

- a. If you find a student listed, click on the view icon to pop up the results screen. Use this screen to determine how the student was verified. If the student’s verification matches their eligibility benefit, you can consider this application verified. Print the information and attach to the copy of the application. This can now be filed in your verification file.
- b. If one child in a household is directly verified, that household application is verified.
- c. NEVER change a student’s benefit based on direct verification.
- d. If a direct verification lookup indicates the student is verified for reduced only and the application on file indicates the student is free or if the results say Verify by Household, complete steps 21 through 24 to continue verifying this household application.

21. For applications that cannot be directly verified send letters to the household notifying them their application was selected for verification.

Free and Reduced Price Application Verification Templates

- Confirmation Review
- Meals – We Must Check your Application
- We Have Checked Your Application

22. When you receive verification of income, calculate benefit based on that income.

- a. If the household benefits are decreased, you must notify the household immediately and change the benefit after 10 calendar days.
- b. If the household benefits are increased, you must notify the household within 3 days and change the benefit immediately.

23. In the event that a household does not respond, follow up with a phone call or e-mail.

- a. If the household still does not respond, they must be removed from the program.

Free and Reduced Price Application Verification Templates

24. Letters notifying household of change/no change in a benefit can be found on our website.

- Confirmation Review
- Meals – We Must Check your Application
- We Have Checked Your Application

25. Verification must be completed by November 15.

26. The Verification Summary Report must be completed and submitted to the State Agency office by December 15.

- a. The Verification Summary Report will not be available until after the October claim has been filed.
- b. It can be found on the CNPweb on the Claims/AFR tab.
- c. Instructions for the Verification Summary Report can be found under Verification Process and Reporting on the Verification webpage.

27. Complete the verification section on the back of the verified application(s).